

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-04161A
White Horse Ranch Owners Association, Inc.
PO Box ~~10516~~ *470*
~~Prescott, AZ 86304~~ *DEWEY : 86327*

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

9-17-07

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>WHITE HORSE RANCH OWNER'S ASSOCIATION</u>		
Mailing Address <u>WHITE HORSE RANCH OWNER'S ASSOCIATION</u> (Street)		
<u>PO Box 670</u> (City)	<u>DEWEY</u> (State)	<u>AZ</u> (Zip)
<u>928-999-9270</u> Telephone No. (Include Area Code)	<u>928-999-9270</u> Fax No. (Include Area Code)	<u>928-202-1390</u> Pager/Cell No. (Include Area Code)
Email Address <u>davidlod@msn.com</u>		
Local Office Mailing Address <u>SAME</u> (Street)		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		

MANAGEMENT INFORMATION

Management Contact: <u>Ed Cummins</u> (Name)			<u>PRESIDENT</u> (Title)		
<u>PO Box 671</u> (Street)	<u>DEWEY</u> (City)	<u>AZ</u> (State)	<u>86327</u> (Zip)		
<u>928-632-7726</u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)			
Email Address <u></u>					
On Site Manager: <u>DAVID LODER</u> (Name)					
<u>PO Box 326</u> (Street)	<u>DEWEY</u> (City)	<u>AZ</u> (State)	<u>86327</u> (Zip)		
<u>928-999-9270</u> Telephone No. (Include Area Code)	<u>928-999-9270</u> Fax No. (Include Area Code)	<u>928-202-1390</u> Pager/Cell No. (Include Area Code)			
Email Address <u>davidlod@msn.com</u>					

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: JAMES ATKINSON
(Name)

1550 PLAZA WEST DR PRESCOTT AZ 86303
(Street) (City) (State) (Zip)

928-445-5870 928-708-0007
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: —
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

WHITE HORSE RANCH OWNER'S ASSOCIATION

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	0	0	0
304	Structures and Improvements	80,037	40,018 ⁵⁰	40,018 ⁵⁰
307	Wells and Springs	13,265	6,632 ⁵	6,632 ⁵⁰
311	Pumping Equipment	0	0	0
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0
331	Transmission and Distribution Mains	386,593	193,296⁵⁰ 40,018 ⁵⁰	193,296⁵⁰ 40,018 ⁵⁰
333	Services	66,226	33,113	33,113
334	Meters and Meter Installations	UNK	UNK	UNK
335	Hydrants	UNK	UNK	UNK
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	0	0	0
	TOTALS	546,121	273,060 ⁵⁰	273,060 ⁵⁰

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	0	0	0
304	Structures and Improvements	80,037	50%	40,018.50
307	Wells and Springs	13,265	50%	6,632.50
311	Pumping Equipment	UNK	UNK	UNK
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	UNK	UNK	UNK
331	Transmission and Distribution Mains	386,593	50%	193,296.50
333	Services	66,226	50%	33,113
334	Meters and Meter Installations	UNK	UNK	UNK
335	Hydrants	UNK	UNK	UNK
336	Backflow Prevention Devices	UNK	UNK	UNK
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	0	0	0
	TOTALS	546,121	50%	273,060.50

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME WHITE HORSE RANCH OWNER'S ASSOCIATION

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 203,145	\$ 223,182
134	Working Funds	50	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	3,085	10,496
146	Notes/Receivables from Associated Companies	398	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 206,681	\$ 233,678
	FIXED ASSETS		
101	Utility Plant in Service	\$ 0	\$ 0
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	245,752	273,060 ⁵⁰
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 245,752	\$ 273,060
	TOTAL ASSETS	\$ 452,433	\$ 506,738

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME WHITE HORSE RANCH OWNERS' ASSOCIATION

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$ 3843
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	0	0
236	Accrued Taxes	0	0
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$ 0	\$ 3843
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 0	\$ 3843
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 0	\$ 0
	TOTAL LIABILITIES AND CAPITAL	\$ 0	\$ 3843

COMPANY NAME WHITE HORSE RANCH OWNER'S ASSOCIATION

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 36,285	\$ 39,331
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 36,285	\$ 39,331
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 4,200	\$ 5,200
610	Purchased Water	0	0
615	Purchased Power	2,063	1,550
618	Chemicals	120	108
620	Repairs and Maintenance	1,381	32,440
621	Office Supplies and Expense	443	1,494
630	Outside Services	2,379	3,339
635	Water Testing	1,235	1,212
641	Rents	0	0
650	Transportation Expenses	595	1,009
657	Insurance - General Liability	2,324	1,026
659	Insurance - Health and Life	466	649
666	Regulatory Commission Expense - Rate Case	0	0
675	Miscellaneous Expense	0	0
403	Depreciation Expense	0	0
408	Taxes Other Than Income	8,91	12,25
408.11	Property Taxes	0	0
409	Income Tax	0	1926
	TOTAL OPERATING EXPENSES	\$ 51,499	\$ 50,005
	OPERATING INCOME/(LOSS)	\$ <15,214>	\$ <10,674>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 742
421	Non-Utility Income	1	1
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0	\$ 742
	NET INCOME/(LOSS)	\$ <15,214>	\$ <9932>

COMPANY NAME WHITE HORSE RANCH OWNER'S ASSOCIATION

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Amount Outstanding	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Current Year Principle	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

Meter Deposit Balance at Test Year End \$ 0

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME	WHITE HORSE RANCH OWNERS ASSOCIATION	
Name of System	WHR WELL WATER SYSTEM	ADEQ Public Water System Number (if applicable) 91-000682.0000

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-558950	1 1/2	28	213	4"	1 1/2"	1996
55-558951	1 1/2	25	300	3"	1 1/2"	1997

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
/		/

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
/		5	/

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
83,000 GAL	1		/

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	WHITE HORSE RANCH OWNER'S ASSOCIATION
Name of System	WHR Well Water System
ADEQ Public Water System Number (if applicable)	

91-000682.0000

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	C-900 PVC	1,300
3	—	—
4	C-900 PVC	8,587
5	—	—
6	C-900 PVC	15,585
8	C-900 PVC	12,993
10	—	—
12	—	—

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	105
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

2 WELL & PUMP SHEDS

OTHER:

1 83,000 GAL STORAGE TANK

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: WHITE HORSE RANCH OWNER'S ASSOCIATION

Name of System WHIRLWELL WATER Sys ADEQ Public Water System Number (if applicable)

91-000682.0000

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	85	363350	476724	Ø
FEBRUARY	87	392070	371640	
MARCH	95	346780	348590	
APRIL	97	346170	343101	
MAY	98	432230	447228	
JUNE	100	691110	675286	
JULY	99	335930	363000	
AUGUST	101	388450	431500	
SEPTEMBER	102	576078	610000	
OCTOBER	104	423842	454400	
NOVEMBER	104	449730	518300	
DECEMBER	105	413310	552800	Ø
TOTALS →		5,157,050	5,592,569	Ø

What is the level of arsenic for each well on your system? <10 Pts/Bil mg/l
(If more than one well, please list each separately.) <10 Pts/Bil

If system has fire hydrants, what is the fire flow requirement? 600 GPM for ? hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: NA

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME WHITE HORSE RANCH OWNER'S ASSOC YEAR ENDING 12/31/2006

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. NO PROPERTY

COMPANY NAME WHITE HORSE RANCH OWNERS' ASSOCIATION YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

PENDING, EXTENSION FILED

State Taxable Income Reported
Estimated or Actual State Tax Liability

34,372
289

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

UNKNOWN, EXTENSION FILED

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

NONE REPORTED PRIOR
[Signature]
SIGNATURE

9/13/07
DATE

ED CUMMINS
PRINTED NAME

PRESIDENT, WHROA
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

SEP 17 2007

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>YAVAPAI</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>SECRETARY TREASURER</u>
COMPANY NAME	<u>WHITE HORSE RANCH OWNERS' ASSOCIATION</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 69,673

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,182
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

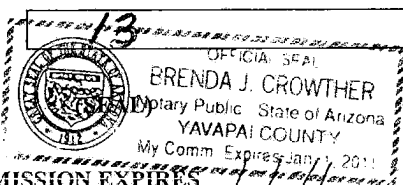
928 202 1390

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>Sept</u>
	<u>2007</u>

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED
SEP 17 2007
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPAI</u>	
NAME (OWNER OR OFFICIAL) <u>DAVID LODER</u>	TITLE <u>SECRETARY TREASURER</u>
COMPANY NAME <u>WHITE HORSE RANCH OWNER'S ASSOCIATION</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 69,673

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,182
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**



SIGNATURE OF OWNER OR OFFICIAL

928 202 1390

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

13

DAY OF

NOTARY PUBLIC NAME <u>Brenda J. Crowther</u>	
COUNTY NAME <u>Yavapai</u>	
MONTH <u>September</u>	.20 <u>07</u>

(SEAL)

MY COMMISSION

1-1-11





SIGNATURE OF NOTARY PUBLIC